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## AMERICAN BAR ASSOCIATION

May 8, 2007

**Section of Business Law** 

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The Honorable Howard L. Berman Chairman, Subcommittee on Courts, the Internet, and Intellectual Property House Judiciary Committee 2221 Rayburn House Office Building Washington, DC 20515

The Honorable Howard Coble Ranking Member, Subcommittee on Courts, the Internet, and Intellectual Property House Judiciary Committee 2468 Rayburn House Office Building Washington, DC 20515

Dear Representatives Berman and Coble:

On behalf of the Section of Business Law of the American Bar Association, I am writing to urge your subcommittee to address a problem that seriously threatens our federal judiciary – the failure of judicial compensation to keep pace with inflationary pressures and with the compensation of legal professionals. The Section of Business Law is comprised of more than 50,000 members, including leading business lawyers engaged in private practice, employed in corporate law departments, and serving as government and regulatory practitioners across the nation. Our Section Officers are unanimous in their support of the Section's position on this issue. Our Section strongly supports the American Bar Association's recommendation that you and your Congressional colleagues enact legislation to provide for an immediate and substantial increase in federal judicial salaries.

The increase in complex federal cases requires a high caliber and talented judiciary – one that meets the highest standards of excellence. Judicial excellence is extremely important to business lawyers and the business clients they serve. We are deeply concerned that notwithstanding the need for judges of great legal talent and judicial temperament, federal judicial salaries have actually declined in real dollar terms by approximately 25% since 1969. Although judges do not expect to command salaries commensurate with their peers in private legal practice, it is disturbing to note that starting associate salaries at major law firms are in some cases greater than those paid to district court judges. Judicial salaries also pale in

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comparison to those of law school deans and executives of non-profit organizations. This is simply unacceptable.

These disturbing facts not only undermine the morale of the judiciary; this trend, if continued, could over time affect the very make-up of our federal bench. It is essential that our judiciary attract and retain a diverse cross-section of the best and brightest of our nation's lawyers. We are concerned that the current trend toward even greater disparity between the compensation of federal judges and that of their peers in the private sector will force those who would otherwise be valuable contributors to our system of justice to decline the opportunity to serve on the bench, and to seek employment elsewhere.

We urge your subcommittee to continue its efforts to address this serious compensation disparity, and we seek to engage in a continuing dialog on this subject as legislation is introduced in Congress and progresses through the legislative process.

Sincerely,

Linda Hayman

Chair, Section of Business Law,

American Bar Association

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